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DFO Partnership

**UNITED STATES BANKRUPTCY COURT
 SOUTHERN DISTRICT OF NEW YORK**

-----X		
In re:	:	Case No. 05-17923 (ASH)
	:	
DELTA AIRLINES, INC., et al.,	:	Chapter 11
	:	
Debtors.	:	(Jointly Administered)
-----X		

**APPELLANT’S DESIGNATION OF RECORD AND STATEMENT OF ISSUES
 PRESENTED ON APPEAL**

Pursuant to Rule 8006 of the Federal Rules of Bankruptcy Procedure, DFO Partnership (“DFO”), claimant and appellant, by and through its undersigned counsel, hereby designates the following items to be included in the record on appeal from the Orders entered September 21, 2007 and November 15, 2007, sustaining TIA/SLV Objection 1: Objection by Delta Air Lines, Inc. and the Official Committee of Unsecured Creditors to Certain Claims Filed by DFO and the Bank of New York for Tax Indemnities and Stipulated Loss Values with Respect to Aircraft Nos. N914DL, N915DL, N916DL, N954DL, N955DL, N956DL, N957DL, and N958DL, by the Bankruptcy Court of the Southern District of New York (Hon. Adlai S. Hardin, B.J.):

CONTENT OF RECORD ON APPEAL

1. Notice of Appeal of DFO Partnership of Order on TIA/SLV Objection 1 [Dkt. No. 6954];
2. Decision on TIA/SLV Objections 1 and 2 [Dkt. No. 6160];
3. Order signed on September 20, 2007 with respect to TIA/SLV Objection 1 [Dkt. No. 6720];
4. Order signed on November 15, 2007 with Respect to TIA/SLV Objection 1 [Dkt. No. 6940];
5. Order Approving a Modified Term Sheet and an Extension of Section 1110 Deadlines, and Authorizing Agreements to Restructure Transactions Affecting Eighty-Eight Aircraft and Associated Engines, Equipment and Documents [Dkt. No. 2097];
6. Motion for Order Seeking Approval of Loss Payment Agreement [Dkt. No. 4517];
7. TIA/SLV Objection 1: Objection by Delta Air Lines, Inc. and the Official Committee of Unsecured Creditors to Certain Claims Filed by DFO Partnership and The Bank of New York for Tax Indemnities and Stipulated Loss Values [Dkt. No. 4627];
8. Order Granting Motion to Approve Loss Payment Agreement [Dkt. No. 4759];
9. Response of DFO Partnership to TIA/SLV Objection 1: Objection by Delta Airlines, Inc. and the Official Committee of Unsecured Creditors to Certain Claims filed by DFO Partnership and The Bank of New York for Tax Indemnities and Stipulated Loss Values [Dkt. No. 4822];
10. Affidavit of David B. Gebler in Support of Response of DFO Partnership to TIA/SLV Objection 1: Objection by Delta Airlines, Inc. and the Official Committee of Unsecured Creditors to Certain Claims filed by DFO Partnership and The Bank of New York for Tax Indemnities and Stipulated Loss Values [Dkt. No. 4823];
11. Ex Parte Motion Pursuant to Sections 105(a) and 107(b) of the Bankruptcy Code and Bankruptcy Rule 9018 for an Order Granting DFO Leave to File Certain Confidential Exhibits to the Affidavit of David B. Gebler under Seal [Dkt. No. 4824];
12. Affidavit of Timothy C. Glenn in Support of Response of DFO Partnership to TIA/SLV Objection 1: Objection by Delta Airlines, Inc. and the Official Committee of Unsecured Creditors to Certain Claims filed by

DFO Partnership and the Bank of New York for Tax Indemnities and Stipulated Loss Values [Dkt. No. 5231];

13. Exhibits A through D to Affidavit of David B. Gebler In Support of Response of DFO Partnership to TIA/SLV Objection 1: Objection by Delta Air Lines, Inc. and the Official Committee of Unsecured Creditors to Certain Claims Filed by DFO Partnership and The Bank of New York for Tax Indemnities and Stipulated Loss Values [Dkt. No. 5347];
14. Response of BNY Lease Equities (Cap Funding) LLC and BNY Capital Resources Corporation to Debtors' and Official Committee of Unsecured Creditors' TIA/SLV Objections 1, 2, 3 and 4 [Dkt. No. 5342];
15. Response of the Verizon Owner Participants as Amicus Curiae Pursuant to 11 U.S.C. Section 1109(B) to Debtors TIA/SLV Objections 1 through 4 [Dkt. No. 5345];
16. First Amended Affidavit of David B. Gebler in Support of Response of DFO Partnership to TIA/SLV Objection 1: Objection by Delta Air Lines, Inc. and the Official Committee of Unsecured Creditors to Certain Claims Filed by DFO Partnership and The Bank of New York for Tax Indemnities and Stipulated Loss Values [Dkt. No. 5362];
17. Response of Strategic Value Partners, LLC to TIA/SLV Objection 1 [Dkt. No. 5363];
18. Response of Cargill Financial Services International, Inc. to TIA/SLV Objection 1: Objection by Delta Airlines, Inc. and the Official Committee of Unsecured Creditors to Certain Claims Filed by DFO Partnership and The Bank of New York for Tax Indemnities and Stipulated Loss Values, With Respect to Tail Number N958DL [Dkt. No. 5392];
19. Response of Wilmington Trust Company, as Owner Trustee to TIA/SLV Objection 1: Objection by Delta Airlines, Inc. and the Official Committee of Unsecured Creditors to Certain Claims Filed by DFO Partnership and The Bank of New York for Tax Indemnities and Stipulated Loss Values, With Respect to Tail Numbers N914DL, N915DL and N916DL [Dkt. No. 5393];
20. Affidavit of Robert Brown in Support of the Response of Wilmington Trust Company, as Owner Trustee to TIA/SLV Objection 1 [Dkt. No. 5395];
21. Declaration of Joshua Dorchak in Support of Response of Cargill Financial Services International, Inc. to TIA/SLV Objection 1 [Dkt. No. 5396];

22. Declaration of Joshua Dorchak in Support of Response of Wilmington Trust Company, as Owner Trustee, to TIA/SLV Objection 1 [Dkt. No. 5397];
23. Limited Response of First Chicago Leasing Corporation and Banc One Equipment Finance, Inc. in Respect to TIA/SLV Objections 1 and 2 [Dkt. No. 5408];
24. Response of PNC Equipment Finance, LLC. as Amicus Curiae to TIA/SLV Objections 1, 2, 3 and 4 filed by Debtors and the Official Committee of Unsecured Creditors [Dkt. No. 5457];
25. TIA/SLV Objection 1: Reply Memorandum of Delta Air Lines, Inc. and the Official Committee of Unsecured Creditors [Dkt. No. 5458];
26. Transcript of Hearing Held on March 2, 2007, regarding DFO Partnership, TIA/SLV Objection 1 [Dkt. No. 5503];
27. Supplement to the Response of the Verizon Owner Participants as Amicus Curiae Pursuant to 11 U.S.C. Section 1109(B) to Debtors TIA/SLV Objections 1 through 4 [Dkt. No. 5609];
28. Transcript of Hearing held on March 30, 2007, regarding TIA/SLV Objections 1 and 2 [Dkt. No. 5749];
29. Notice regarding Response Deadlines for Certain TIA/SLV Objections [Dkt. No. 6116];
30. Notice of Telephonic Conference With Respect to TIA/SLV Objections 1 and 2, set for Monday, May 21, 2007 [Dkt. No. 6177];
31. Transcript of Telephone Conference with Respect to TIA/SLV Objections 1 and 2 held on May 21, 2007 [Dkt. No. 6216];
32. DFO Partnership's Motion for Reconsideration of Decision on TIA/SLV Objections 1 and 2 [Dkt. No. 6234];
33. Motion by Delta Air Lines, Inc. and the Post-Effective Date Committee for Reconsideration of the Courts May 16, 2007 Decision regarding TIA/SLV Objection 2 [Dkt. No. 6237];
34. The Northwestern Mutual Life Insurance Company's Motion for Reconsideration of This Courts Decision on TIA/SLV Objections 1 and 2 [Dkt. No. 6238];
35. Declaration of Richard G. Smolev Supplementing the Motion of DFO Partnership for Reconsideration of Courts May 16, 2007 Decision on TIA/SLV Objection 1 [Dkt. No., 6561];

36. Opposition by Delta Air Lines, Inc. and the Post-Effective Date Committee to the Motions of The Bank Of New York and the Ad Hoc Committee [Dkt. No. 6584];
37. DFO Partnership's Second Supplement to Motion for Reconsideration of Decision on TIA/SLV Objections 1 and 2 [Dkt. No. 6594];
38. Transcript of Hearing Held On August 20, 2007 [Dkt. No. 6643];
39. Letter Transmitting Form of Order Regarding Resolution of "TIA/SLV Objection 1" and the Resolution of the Associated Motion for Reconsideration filed by DFO Partnership [Dkt. No. 6707];
40. DFO Partnership's Motion for Reconsideration of Order dated September 21, 2007 with Respect to TIA/SLV Objection 1 [Dkt. No. 6722];
41. Affidavit of David B. Gebler in Support of DFO Partnership's Motion for Reconsideration on TIA/SLV Objection 1 [Dkt. No. 6723];
42. Affidavit of Mitchell E. Menaker in Support of DFO Partnership's Motion for Reconsideration on TIA/SLV Objection 1 [Dkt. No. 6725];
43. Response by Delta Air Lines, Inc. and the Post-Effective Date Committee to DFO Partnership's Motion for Reconsideration of Order Dated September 21, 2007 with Respect to TIA/SLV Objection 1 [Dkt. No. 6844];
44. Response by Wilmington Trust Company, as Owner Trustee, and by Cargill Financial Services International, Inc. to DFO Partnership's Motion For Reconsideration of Order Dated September 21, 2007 with Respect to TIA/SLV Objection 1 [Dkt. No. 6852];
45. Reply of DFO Partnership to Response by Delta Airlines, Inc. and the Post Effective Date Committee to DFO Partnership's Motion for Reconsideration of Order dated September 20, 2007 with Respect to TIA/SLV Objection 1 [Dkt. No. 6875];
46. Transcript of Hearing Held On November 6, 2007 regarding DFO Partnership's Motion For Reconsideration [Dkt. No. 6939];

STATEMENT OF ISSUES PRESENTED ON APPEAL

1. Whether the Bankruptcy Court erred as a matter of law in holding that DFO is barred from asserting a claim against Delta under the Tax Indemnity Agreement ("TIA") by reason of Section 7(c) of the TIA.
2. Whether the Bankruptcy Court erred as a matter of law in declining to consider extrinsic evidence with respect to the meaning of Section 7(c) of the TIA.

Dated: New York, New York
December 6, 2007

Respectfully Submitted,

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